

**Clark County
State of the County Address
January 30, 2004**

**Betty Sue Morris
Chair, Board of Clark County Commissioners**

Good afternoon, ladies and gentlemen. Thank you all for coming to the 18th Annual State of the County address, and thank you to the Greater Vancouver Chamber of Commerce for once again graciously hosting this event. I will do my best to get you out of here earlier than usual today.

We are indeed proud of our volunteers who have been recognized by Commissioner Stanton and of our employees who have been recognized by Commissioner Pridemore as winners of this morning's Our Personal Best awards. They are the heart of this county.

But there's another group of folks who are also giving their personal best, not just for the county but for the country. They're the employees who have been called back to military service and either are or are getting ready to head overseas as part of the war, and I want you all to know how particularly proud we are of:

Casey Vu in the Prosecutor's Office,
Matt Peterson in the Office of Budget and Information Services
Brian Loos - Parks Department
Scott Holmes
Scott Catlett
Adam Hackett
Robert Hanks
Randy Tangen, all of the Sheriff's Office and
Elspeth Durek - Health Department who fortunately has returned

And if you will indulge me for one or two more minutes, I'd like to introduce my very own Personal Best, my family (but there's no need for applause). My son Bill, his father and my husband Bill, and finally my beautiful and gracious mother Muriel Fowler who turned 92 last Sunday and still keeps track of her own finances. These people have lived with me through 15 full years of elected office and would definitely agree with the observation of an unnamed spouse of an unnamed elected official in an unnamed county in an unnamed state somewhere, that elected officials belong to the public and are only rented out from time to time to their families.

I spoke to you last at this event in 2001 and during the 3 years since things in this county have been changing at Superman speed. Just to throw a few numbers

around for starters, between then and now this county and its cities and school districts have added 862 new businesses, 5,571 new students, 8,910 new homes, 7 new schools and about 31,000 new people. School districts passed their levies for the first time in years, the median household income has risen to \$51,885 and there are an amazing 66 brand new elected officials who weren't in office in January of 2001.

Though I don't have numbers, we've also seen tremendous growing interest in the arts, something I personally find a delightful sign of our community's expanding cultural maturity. We have a record number of arts groups across the county, the Vancouver Symphony routinely performs to a full house at Skyview High School, and a group of dedicated and talented private sector community leaders are partnering with Clark College to build an architecturally unique and acoustically outstanding performing arts center somewhere in the central area of Vancouver. That is an effort to which I intend to give a great deal of my own personal time and energy in the months and years ahead.

Our citizens, no matter how long they've lived here, have been generous at new levels. If it weren't for Bernice Ratermann's generous personal donation of \$35,000 last November, we would have had to drop the valuable Guardianship Monitoring program in County Clerk Joanne McBride's office. If you're looking for a place to give, think county.

Seems the only constant in our 656 square miles of geography was felony filings.

Prosecutor Art Curtis reports that they held steady over the last 12 months. Maybe we're behaving better.

Three years ago I described the state of this county as fiscally stable, organizationally sleek and blessed with a ledger of talented and enthusiastic employees. Despite all the other changes I just chronicled, that has remained constant. Judie, Craig and I fairly burst with pride for the citizens we serve and the privilege of serving them, for the marvelous 1700 people we employ, for the other elected county officials with whom we share both governance and the values of efficient, responsive and productive government, and for the obviously talented youth who will be our next generation of leaders.

2003 was a year of record achievement for our corporate body. The list is legion so I'll mention only a few that saved taxpayer money or are exceptional in some other way. But just so we can adequately boast, a fuller written list is on your tables. It looks like this.

- With able leadership from Health District Director Kay Koontz and county administrator Bill Barron, we successfully transitioned public health functions from a special district to part of Clark County government and by doing that saved money and increased our capacity to meet health needs.

- In the Juvenile Department our nationally recognized Connections Program that provides probation supervision and intensive family- and community-based mental health support, reduced recidivism and decreased both probation violations and detention days at a cost savings of approximating \$400,000 worth of mental health services. Our Juvenile Court continues to have the lowest rate of detention in the state among counties our size statewide because of this and other successful intervention and restorative justice program investments in services and again through strong community partnerships.
- Our Mental Health Specialty Court reduced adult crime rates among their clients 3.8% in six months, cut their probation violations 56% and reduced the number of jail bed days those clients use from 288 to 76 at a savings of hundreds of dollars a day.
- Our Information Technology Department has employed efficiencies that cut overall unit costs by approximately 20%. Our ratio of IT staff to total employees in Clark County is 26% less than the ratio in most other counties in the state and our IT cost per employee is 12%. At the same time our IT staff support an average of 18% more workstations per IT employee than other counties. That's a tight operation.
- Beginning Sunday, our new Web site will be fully operational. Just add the address on the wall behind me and the bookmarks on your tables to your list of "Favorites" and then point and click to get the latest information about your county. And by the end of this year, you'll be able to pay any fees or taxes over the Internet with your Visa or MasterCard. Just count the new frequent flyer miles adding up.
- The Clark County Salmon Creek Wastewater Treatment Plant was nationally recognized by the Environmental Protection Agency for its outstanding effort in the operations and maintenance program, effluent compliance, cost-saving techniques, and overall environmental benefits.
- Sheriff Lucas and his staff partnered with the city of Vancouver, Clark County Solid Waste, and Clark College Computer Technology program, Waste Connections and the Salvation Army to create a joint computer recycling center at the jail work center on Lower River Road. So if you've got an old computer that you don't know what to do with it, take it to the jail.
- For those of us who are always looking for a good place to eat, we are in hopes of completing negotiations this summer with the Spirit of Washington group to bring a first-class dinner train to Clark County. It would run from north Vancouver to Chelatchie on the county's rail line. The group already operates one of the premiere dinner trains on the west coast that runs from

Renton to Woodinville. In addition to the passenger operations, the track upgrades that would result would enhance freight operations and help promote new industrial and commercial developments on the line.

- We finished construction on our new Public Services Center early last year and moved most of our departments and elected officials into it with minimum confusion. We are now nearing completion of Courthouse upgrades where District and Superior courts can get more efficient use of space and break the bottleneck in courtroom scheduling.
- Pete Capell, our Public Works director, kept up his breakneck road construction program, building 5.4 new miles of roads (the Padden and NW 32nd Ave.) and widened another 21.3 miles. They finished 6 new traffic signal projects, built 6 storm water improvements and 6 fish passage projects.
- In partnership with youth sports groups and the Felida Neighborhood Association, the county opened our first community park in 25 years when we cut the ribbon on Felida Park last summer.
- Our Fairgrounds Master Plan Update is complete and we've broken ground for a new exhibition center at the fairgrounds, which will be a revenue generator for us when it's finished.
- Design for the new Center for Community Health at the Vancouver Veteran's Administration site is almost complete. It has received Congressional approval and will be first of its kind in the nation—a partnership with the VA, local and state governments, and a number of service providing nonprofits.
- Our work on critical watershed planning should come to fruition this coming year, we are well on our way to finishing an overall recovery plan for endangered listing of salmon and when we complete revamping our critical areas ordinances by December as required by law, we are confident we will not only meet the test of Best Available Science but also gain the first 4-d limit in the state from NOAA Fisheries for all activities conducted in compliance with those ordinances.

It's been an active year for all seven of our cities, as well. In 2003 Battle Ground bought and moved into a new city hall, completed the West Main Street improvement project and lobbied successfully for money to build a new 1-5 interchange with 219th Street. Ridgefield sited and broke ground at the Ridgefield Junction for a large industrial development. Working with Clark Public Utilities, Yacolt took a firm grip on its long-time septic tank problems; La Center partnered with several private and public agencies to realize their La Center Wetlands Stewardship Park. Camas reports definite signs of an economic upturn and had their desirability as a place to live reconfirmed when 70% of LaCamas Heights residents voted to annex to the city.

Washougal completed their new 7900-square-foot police station, hired their first city administrator and takes pride in the progress of Captain William Clark Park at Cottonwood Beach, a joint effort with Camas, the port of Camas/Washougal and Clark County.

A committed and persistent Vancouver broke ground on their long sought hotel/convention center, despite a sprinkle of no votes along the way; their downtown area is throbbing with new redevelopment, small boutique shops seem thriving, and soon wireless Internet connection will be available all through Esther Short Park and the Historic Reserve area. (I think that's really neat.)

Meanwhile, job growth and private sector investment flourished in the unincorporated Hazel Dell/ Salmon Creek/Felida/Fairgrounds areas with completion of the Amphitheater at the Fairgrounds and construction starts on Hazel Dell Town Center and Legacy Hospital. Just to the east near the Padden and 88th a new Krispy Kreme opened a few weeks ago. Costco is on its way.

Overall, new construction in the unincorporated area in 2003 was \$491 million, up 19% from 2002.

Obviously, Clark County and all of its cities are on the move, and we're so proud of it.

So what lies ahead?

Now it's not exactly a secret that the three members of the Board of County Commissioners don't always agree, particularly on land use issues.

But we do agree that our number one priority for 2004 is economic development and we remain firm in our commitment to focus our time and energies on identifying an abundant supply of job-producing lands and working with the private sector to create here in Clark County the kinds of jobs that attract our residents to Oregon. We know, for instance, that a substantial number of our highly skilled people cross the river daily to work in the health care industry. We want to bring them back. With the New Legacy Hospital on 134th in construction so near Washington State University, it might well be possible to create a cluster of medical and research jobs in that area of the county.

And, we plan to venture for the first time into some possible redevelopment efforts along Highway 99 in Hazel Dell, an area where the county might even investigate tax increment financing possibilities. Redevelopment and tax increment financing are usually activities of cities, but the very large urbanized area between Burnt Bridge Creek and 179th Street remains the county's to govern and provide for, and both those strategies could prove quite valuable. Where's Team 99 sitting? At long last – hooray for you.

And just as Judie, Craig and I agree on our priority for economic development, we also agree that by far our most challenging and demanding issue of the next 11 months will be our finances and constructing our 2005/06 budget under the increasing pressure of voter-passed revenue limitations. We've seen it coming. Each of us has mentioned it in our respective State of the County addresses for the last three years. And each with increasing intensity. It is on that that issue that I choose to spend the remainder of my remarks.

It's politically risky business for me to dwell on this topic because we try hard to focus only on the good stuff. But I am compelled by it anyway because elected officials have long hesitated to tell the other side of the tax-cutting story, and with a new initiative waiting in the wings that would make an immediate 25% cut to our property tax streams, I don't believe we can hold our silence any longer. I cannot truthfully depict to you the state of this county, or its cities, or any city or county in this state without addressing it directly, and truthfully. Besides, our talented young people like Alex need to know that leadership often calls for risk, and always calls for straight talk. I know I won't make you particularly buoyant when you leave today, but I do hope I will make you thoughtful.

Obviously, the Board of County Commissioners is abundantly proud of the efficiencies we've gained and the strides we've made under the current revenue constraints. With gradual program reductions and lowered levels of service, we could continue to manage efficiently with what we have.

But the 25% cut that Initiative 860 proposes would make a change of such magnitude that I believe we are obliged to tell the service cut side of the story, to talk frankly about what we do now but won't be able to do later.

Unlike private business or the retail experience we're so familiar with, with county government there is no point of purchase, and there is no point of payment. When you go to the mall and pay the cashier, you go home with new shoes, a new CD or a new couch. And you get to look at them at home right away.

By contrast, you don't write a check to the County Treasurer and go home with 5000 gallons of clean drinking water, a deputy sheriff to guard your house or a snow plow to clear your roads after the ice. And we don't send a monthly bill for services purchased like a public utility does. It's much more opaque.

People pay property taxes for services they generally don't even realize they bought.

As citizens we don't stop to think that when we turn on the water faucet we buy the clean water we drink because of government's protection of our aquifers. When we go to bed at night we are relatively confident that no one will break into our house during the night. We buy that security of good law enforcement from

the government. When we get in our cars in the mornings, we trust that we will get where we're going in an orderly fashion and that signals will for the most part ensure us our turn through the intersection. We bought that order from government.

When we pay our property taxes, few of us ever think of it as a purchase.

And if you look at our total county biennial budget of some \$600 million, it sure seems like we could stand to lose a little in favor of our taxpayers. But it doesn't work that way. Of all the money Clark County government gets, 77% has strings attached. A major part of it comes from the federal and state governments with clear directions on how we're supposed to use it. (Picture please)

That part (called dedicated, or restricted, funding) is green and we can only use it for certain things like building roads or bridges, providing certain kinds of social services, buying conservation lands and building buildings. That's the pot all that new building I talked about comes from.

The little pink part is what we have to pay for all those general purpose functions like the law enforcement, road patrol, the jail, the courts, the clerk, the auditor, assessor, treasurer, clerk and commissioners. And most of that little slice of pink part is property tax. Losing 25% of that in one fell swoop is a stunning loss, some \$10.8 million in a single blow.

If Clark County closed and mothballed every park we own and operate, (sorry Florence), sliced social services, gutted a number of departments entirely and quit monitoring offenders on probation, we still wouldn't have cut enough to make it. And these kinds of cuts will happen all across the state.

Between Clark County and our cities, we'd be making a \$22 million reduction of services. That's a whole lot of service cuts.

And just to give you an idea of how financially tight we already are, the increased property tax revenue we'll receive in 2004 over 2003 under the current 101% lid not including new construction is \$267,902. The cost of adding a new Superior Court judge – which we desperately need - and his support clerk and staff runs well over \$400,000.

I have one quick graph that shows you the cumulative impact of the past three property tax limitations and then what it looks like if the 25% cut occurs. I hope it helps you see the size of the impacts in lost revenues for services.

If you don't mind a little satire and to lighten the moment just a bit, I'd like to show those graphs once more, this time with music. The music I've chosen comes from Prokofiev's delightful narrated symphony "Peter and the Wolf."

The symphony tells a story of an ingenious little boy named Peter who lives with his grandfather near a meadow by the forest. Grandfather keeps Peter out of the meadow because it is where wolves in the forest go to catch things to eat. But one day Peter finds the gate unlocked and wanders to the meadow, where a bird chirps a lovely song and a duck waddles slowly behind Peter. The barnyard cat appears in the meadow and tries to eat the bird, who flies to a tree. Grandfather finds Peter in the meadow and marches him back to the safety of the yard and locks the gate.

And just in time because the wolf emerges from the forest, eats the duck and sets his sites on the cat and the bird (unnatural allies) who have found refuge together in the tree.

To tighten this telling, our boy Peter climbs out on a tree limb overhanging the fence he's locked behind, drops a rope with a noose at the end from the tree limb and catches the wolf by the tail. The bird and cat are safe.

Each character is portrayed by a different instrument, Peter by the violins, the bird by the flute, the duck by the oboe, grandfather by the bassoon, and the wolf by the horns. There are also hunters in the story but they arrive on the scene too late to be a help and are mainly useful (I've always thought) because their instrument is the drum, and you've got to have a drum in any good symphony.

Here are those graphs again, this time put to music in an attempt to add musical punch to this speech, because just as you need drums in a symphony, you need a little variation in a dull speech.

Thank you, Evan.

So what does all this mean to you? I think it means a lot, and particularly to this group because the initiative also saps 25% of our road fund. According to numbers Evan Dust ran for our Capital facilities plan, the private sector already pays for 60% - 84 % of all our urban and rural arterials and collectors. If we lose \$6.7 million, your share becomes even more and we become a weakened partner in our priority economic development efforts. And I think it matters to you because you are leaders in this community and having a vested interest in keeping it strong and healthy. And, more directly, because you yourselves live here and are raising your families here and want them to grow up in a safe and healthy place.

In the past we've tried to partner with schools to help with some of their sticky and expensive road problems. Last year that figure approached one million dollars. If we take a 25% loss in revenue in our road fund, that's going to be hard to repeat.

And for everyone, county delivered services will slow down. While we try to hold law enforcement harmless, potholes will take longer to repair, it will take more rings to get your phone call answered, and lines in the Assessor's and Auditor's office will be longer and civil court cases will back up for months on end.

All local governments in Washington today stand at a fork in the road and we are not the ones who will decide which one we take. You will, and all the other voters, too. And once you've chosen, we'll take that road.

If the Initiative gets enough signatures to reach the ballot and passes, we'll make the cuts required with dignity and discipline, and without complaint. We work for the voters and we've honed our service-cutting skills over the last few years.

But we view ourselves and hope you view us, as an integral and contributing part of the fiber of this great community. And we want to keep being just that.

So here's the state of the county in summary form:

If you are in this room today, or if you live in and are watching this broadcast from any of the cities or any unincorporated area in the county, you live among creative, energetic, vibrant citizens who care about each other and their community, you live with local governments that are frugal, deliberative and dedicated to their role as public servants, you live with a principled business community that is a contributing, active and growing part of our lives. You live in a community that protects your environment. That's called quality of life, and Clark County Government is proud to be a part of it. That's the kind of community that produces future leaders like Alex.

Thank you and god bless.